



United States
Department of
Agriculture

Food and
Nutrition
Service

Mountain
Plains
Region

1244 Speer Boulevard
Denver, CO 80204-3585

Reply to
Attn. of: SP 00-2

OCT 29 1999

Subject: Update to Eligibility Guidance for School Meals Manual

To: STATE AGENCY DIRECTORS -
(Child Nutrition Programs)

Colorado ED, Colorado HS, Colorado
DPHE, Iowa, Kansas, Missouri ED,
Missouri DH, Montana OPI, Montana
DPHHS, Nebraska ED, Nebraska SS,
North Dakota, South Dakota, Utah,
and Wyoming

Page 35 of the Eligibility Guidance for School Meals Manual
(1991) has been revised to reflect recent legislative changes
relating to income exclusions. A copy is attached.

Darlene Sanchez

for ANN C. DEGROAT
Regional Director
Child Nutrition Programs

ATTACHMENT

Questions and Answers

Income

1. Q. Why is the off-base housing allowance provided to service personnel counted as income when the value of on-base housing is not?

A. Income is defined as all cash received on a recurring basis. In-kind benefits, by definition, are not cash payments, and, therefore, are not considered as income for the purpose of determining free and reduced price eligibility. School officials are not in a position to determine the value of in-kind benefits, such as housing for clergy, cars for salespersons, employee medical or dental benefits, etc. The income exclusion for in-kind benefits is uniform throughout the school meal programs. To treat in-kind benefits provided to military households differently from in-kind benefits provided to the general population would create an inequity. The fact the the value of military on-base housing is more readily identifiable than other sources of in-kind benefits would not lessen the inequity.

2. Q. What payments from Federal programs are excluded from consideration as income by legislative prohibition?

A. (1)The value of assistance to children and their families under the National School Lunch Act, the Child Nutrition Act of 1966, and the Food Stamp Act of 1977; (2)reimbursements from the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970; (3)any payment to volunteers under Title I (VISTA and others) and Title II (RSVP, foster grandparants, and others) of the Domestic Volunteer Service Act of 1973 to the extent excluded by that Act; (4)payments to volunteers under section 8(b)(1)(B) of the Small Business Act (SCORE and ACE); (5)income derived from certain submarginal land of the U.S. that is held in trust for certain Indian tribes; (6)payments received under the Job Training Partnership Act; (7)income derived from the disposition of funds to the Grand River Band of Ottawa Indians; (8)payments received under the Alaska Native Claims Settlement Act; (9)payments by the Indian Claims Commission to the Confederated Tribes and Bands of the Yakima Indian Nation or the Apache Tribe of the Mescalero Reservation; (10) payments to the Passamaquoddy Tribe and the Penobscot Nation or any of their members received pursuant to the Maine Indian Claims Settlement Act of 1980; (11)student financial assistance received under Title IV of the Higher Education Act of 1965, including the Pell Grant, Supplemental Education Opportunity Grant, State Student Incentive Grants, National Direct Student Loan, PLUS, College Work Study, and Byrd Honor Scholarship Programs, to the extent excluded by that Act; (12)Agent Orange Settlement Payments to veterans, that have been excluded under Public Law 101-201; (13)payments received under the Civil Liberties Act of 1988; (14)TANF and Child Care and Development Block Grant (Public Law 104-193) benefits; (15)Payments and allowances to individuals participating in AmeriCorps to the extent excluded by the National and Community Service Act of 1990. (Payments under AmeriCorps are not excluded for programs under the Social Security Act, such as TANF.)

Since programs are periodically added to the above list, school food authorities should contact the State agency when there is question of whether specific payments are to be included as income.